Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Text

LIMITED OFFICIAL USE

PAGE 01 CAPE T 00199 01 OF 02 100907Z
ACTION AF-08

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 IO-13
DHA-02 EB-08 TRSE-00 OMB-01 /078 W
----------100919Z 121635 /12
R 100747Z FEB 77
FM AMEMBASSY CAPE TOWN
TO SECSTATE WASHDC 5717
INFO AMCONSUL DURBAN
AMCONSUL JOHANNESBURG
AMEMBASSY PRETORIA

LIMITED OFFICIAL USE SECTION 1 OF 2 CAPE TOWN 0199

E.O. 11652: N/A
TAGS: PINT SF
SUBJ: LEADING AFRIKANERS CRITICIZE ASPECTS OF GOVERNMENT POLICIES

REF: JOHANNESBURG 0273

SUMMARY. FURTHER PUBLIC AFRIKAANER SOUL-SEARCHING ON NECESSITY FOR CHANGE ERUPTED IN QUANTITY DURING PAST WEEK. A BOOK BLUNTLY CRITICAL OF SAG ECONOMIC POLICIES BY PILLAR OF AFRIKAANER BUSINESS COMMUNITY, A. D. WASSENAAR (REF TEL), DREW WIDESPREAD ATTENTION AND PROMPTED AN ANGRY PRIME MINISTER VORSTER TO REPLY SHARPLY IN PARLIAMENT. PROF. ERIKA THERON AND PROF. S. TERRE-BLANCHE, BOTH OF STELLENBOSCH UNIVERSITY AND MEMBERS OF THERON COMMISSION ON PROBLEMS OF "COLOREDS", ALSO PUBLISHED BOOKS SAME WEEK WITH CENTRAL THEME THAT APARTHEID POLICY AS APPLIED TO COLOREDS HAS FAILED. PRESIDENT OF FEDERATED CHAMBER OF INDUSTRIES (FCI) JOHN CRONJE ISSUED PRESS RELEASE AT WEEKEND ON BEHALF FCI WHICH EXPRESSES CONCERN OVER ECONOMIC SITUATION AND CALLS FOR CREATION
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAPE T 00199 01 OF 02 100907Z

"MORE JOB OPPORTUNITIES AND IMPROVEMENT OF ECONOMIC AND SOCIAL PROSPECTS FOR BLACK, COLORED AND INDIAN PEOPLE." FINALLY, WEEK-LONG SEMINAR AT UNIVERSITY OF CAPE TOWN (UCT) ON ROLE OF THE AFRIKAANER GAVE AFRIKANER AND OTHER ACADEMICS OPPORTUNITY TO ARGUE NEED FOR CHANGE. THIS IN NO WAY ADDS UP TO IMMINENT CHANGE OR DECISIVE DENT IN NATIONAL PARTY'S MONOPOLY OF POLITICAL

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

POWER. IT DOES SIGNIFY INCREASED WILLINGNESS OF INFLUENTIAL AFRIKANERS TO SPEAK OUT PUBLICLY RATHER THAN CONFINING THEMSELVES TO TRADITION OF RESERVING CRITICISM TO PRIVATE MEETINGS WITH SAG LEADERS. END SUMMARY

1. PRESS, BOTH ENGLISH AND AFRIKAANS, EARLY THIS WEEK GAVE FRONT-PAGE PLAY TO CRITICISMS OF NATIONAL PARTY ECONOMIC POLICIES IN BOOK BY DR. A. D. WASSENAAR, CHAIRMAN OF SOUTH AFRICAN NATIONAL LIFE ASSURANCE ASSOCIATION (SANLAM), THE MULTI-BILLION DOLLAR AFRIKAANER ECONOMIC EMPIRE. ENTITLED "ASSAULT OF PRIVATE ENTERPRISE - THE FREEWAY TO COMMUNISM," THE BOOK ASSERTS GOVERNMENT ECONOMIC POLICIES, EXCESSIVE CONTROLS, AND "CREEPING NATIONALIZATION" COULD LEAD TO DICTATORSHIP. WASSENAAR DECLARES SA FACING "SEVERE" ECONOMIC AND FINANCIAL CRISIS DUE TO INEXPERT LEADERSHIP, GOVERNMENT OVERSPENDING, DANGEROUS OVERCOMMITMENT ON LOANS, UNRESTRAINED GROWTH IN BUREAUCRACY (30 - 35 PER CENT "OVEREMPLOYMENT" IN PUBLIC SERVICE), EXCESSIVE INTERVENTION IN PRIVATE SECTOR THROUGH TAX AND PRICE CONTROL MEASURES, AND CONTINUING GROWTH OF PUBLIC SECTOR AT EXPENSE OF PRIVATE SECTOR. IDENTIFYING HIMSELF IN PRESS INTERVIEWS AS "A NATIONALIST, AN AFRIKANER" ALL HIS LIFE, WASSENAAR SAID HE "HAD TO" SPEAK OUT, DESPITE PRIME MINISTER'S REPORTED ADMONITION TO CHAMBER OF COMMERCE LAST YEAR (PRETORIA A186), OCTOBER 22, 1976) THAT BUSINESSMEN SHOULD NOT OPENLY CRITICIZE THE GOVERNMENT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

2. IN PARLIAMENT ON FEB. 4, VORSTER DELIVERED A STINGING REBUTTAL, LARGELY IGNORING WASSENAAR'S DETAILED ECONOMIC CRITICISMS, HE RIDICULED THE AFRIKANER BUSINESS LEADER AND SUGGESTED WASSENAAR WROTE HIS BOOK OUT OF PIQUE OVER NOT BEING GIVEN A MINISTERIAL POST. VORSTER VEHEMENTLY DENIED HE HAD EVER CAUTIONED BUSINESSMEN NOT TO SPEAK OUT, AN ASSERTION "SO FALSE THAT IT BORDERS ON A DELIBERATE LIE." HE DID, HOWEVER, QUESTION THE USE OF SUCH ORGANIZATIONS AS THE CHAMBER OF COMMERCE AS VEHICLES FOR CRITICISM; IF THEY WISHED CHANGE, THEY SHOULD USE "ESTABLISHED POLITICAL CHANNELS."

3. BOOK BY PROF. ERIKA THERON WHO HEADED COMMISSION ON STATUS OF "COLOREDS" BEARING HER NAME WAS CO-AUTHORED BY PROF. J. B. DU TOIT WHO WAS SECRETARY OF THAT COMMISSION. PUBLISHED IN AFRIKAANS, THE BOOK CONCLUDES THAT POLICY OF APARTHEID, ORIGINALLY MOTIVATED BY "FINE IDEALS," HAS FAILED IN ITS CENTRAL

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

AIM OF PREVENTING OR REDUCING FRICTION BETWEEN WHITES
AND COLOREDS. "SYSTEMATIC SEPARATION OF LAST QUARTER
CENTURY HAS LED TO SUSPICION AND DISTRUST." BECAUSE
OF "NEGATIVE LEGISLATION" COLORED PEOPLE BELIEVE THEY
ARE REGARDED AS "HALF CITIZENS." BOOK CALLS FOR IMPLE-
MENTATION OF THERON COMMISSION RECOMMENDATIONS AND, IN
INTEREST OF "SOCIAL JUSTICE," FOR SACRIFICES BY WHITES
TO OVERCOME THE SERIOUS FORMS OF POVERTY AMONG COLLOREDS.
CURRENTLY OVERSHADOWED BY WASSENAAR CONTROVERSY, THERON-
DU TOIT BOOK WILL BECOME PARTICULARLY PERTINENT WHEN
GOVERNMENT'S PROMISED WHITE PAPER ON THERON COMMISSION
REPORT IS TABLED. TERREBLANCHE BOOK FOCUSSES ON ECON-
OMIC PROBLEMS, CITING GAP BETWEEN RICH AND POOR, HE
ARGUES WAY MUST BE FOUND TO MAINTAIN FREE ENTERPRISE
PRINCIPLE WHILE APPRECIABLY RAISING LIVING STANDARDS
OF THE POOR. OTHERWISE, MARXIST ANSWER WILL BECOME
INCREASINGLY ATTRACTIVE.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 CAPE T 00199 01 OF 02 100907Z

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 CAPE T 00199 02 OF 02 100859Z
ACTION AF-08

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 IO-13
DHA-02 EB-08 TRSE-00 OMB-01 /078 W
----------100919Z 121643 /12
R 100747Z FEB 77
FM AMEMBASSY CAPE TOWN
TO SECSTATE WASHDC 5718
INFO AMCONSUL DURBAN
AMCONSUL JOHANNESBURG
AMEMBASSY PRETORIA

LIMITED OFFICIAL USE SECTION 2 OF 2 CAPE TOWN 0199

4. FCI PRESIDENT J.P. CRONJE, ISSUED PRESS RELEASE
FEB. 6 ON BEHALF OF FCI EXPRESSING CONCERN AT "SERIOUS-
NESS OF CURRENT ECONOMIC SITUATION" AND CALLING FOR A

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

"NEW INITIATIVE." IN DEFLATING TH ECONOMY, SAG HAD MADE COUNTRY MORE DEPENDENT ON FOREIGN CAPITAL AND GOODS, WHILE PRICE CONTROL PLUS EXCHANGE, INTEREST RATE, AND TAX POLICIES ADDED TO MARKED IMPERFECTIONS. SAG HAD LIMITED SELF TO "ACTING WITHIN A FRAMEWORD OF POLITICAL POLICY" (READ APARTHEID), WHICH ECONOMY CANNOT WITHSTAND INDEFINITELY. STATEMENT SAYS PROBLEM IS TO CREATE MORE JOBS AND MORE WEALTH SIMULTANEOUSLY THROUGH OPTIMUM USE OF HUMAN RESOURCES AND INCREASE IN PRODUCTIVITY OF BOTH LABOR AND CAPITAL. GOAL SHOULD BE "SYSTEMATIC...IMPROVEMENT OF ECONOMIC AND SOCIAL PROSPECTS OF BLACK, COLORED AND INDICAN PEOPLE IN OUR SOCIETY" AND INCREASE IN RATE OF GROWTH OF PRIVATE SECTOR RELATIVE TO PUBLIC SECTOR AND LEVEL OF IMPORTS.

5. WEEK-LONG SEMINAR AT UCT ON FUTURE OF THE AFRIKANER HEARD VIEWS RANGING ACROSS POLITICAL SPECTRUM FROM STAUNCH NAT DEFENDERS TO "COLORED" MINISTER WHO CALLED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAPE T 00199 02 OF 02 100859Z

APARTHEID "INSTITUTIONALIZED VIOLENCE." LAW PROF. AND NP MEMBER J.D. VAN DER VYVER OF POCHERSTROOM SAID AFRIKANER HAD COME TO RELY TOO MUCH ON POWER OF THE STATE TO PROMOTE HIS IDEALS, WHILE NAT MP FROM MOOREES-BURG, PIET MARAIS MADE PITCH TO "OUR NON-BLACK PEOPLE" (I.E., COLOREDS AND INDIANS) THAT "YOUR HOME IS WITH US." MAVERICK UNIVERSITY OF PRETORIA HISTORY PROF. F.A. VAN JAARSVELD ALSO SAID WHITES AND COLOREDS HAVE COMMON INTEREST. REMOVAL OF LATTER FROM VOTERS ROLL WAS A MISTAKE WHICH REQUIRED "URGENT ATTENTION." PERPHAS VAN JAARSVELD SUMMED UP THE MOOD BEST: "THE AFRIKANER IS AT PRESENT IN SELF-EXAMINATION. THE REASON LIES IN HIS BECOMING AWARE OF THE CRISIS IN WHICH HE FINDS HIM-SELF."

6. COMMENT: BY COINCIDENCE, ALL OF GHE ABOVE OCCURRED WITHIN THE WEEK OF JAN. 31 - FEB 6, THUS HEIGHTENING PUBLIC IMPACT THROUGH SHEER VOLUME. SIGNIFICANCE, HOWEVER, IS NOT IN WHAT WAS SAID BUT IN WHO SAID IT. THE "STELLENBOSCH ACADEMICS" AND SUCH CRITICS AS PROG VAN ZYL SLABBERT OF CHRISTIAN INSTITUTE'S BEYERS NAUDE HAVE MADE FAR MORE ELOQUENT AND DEVASTATING ATTACKS ON THE MORAL AND PRACTICAL SHORTCOMINGS OF "THE SYSTEM," BUT THEY ARE TRIBAL OUTCASTS, WRITTEN OFF AS "ENEMIES." A NUMBER OF AFRIKANER BUSINESSMEN HAVE LONG ADVOCATED AMELIORATING ECONOMIC DISCRIMINATION BUT, PARTICULARLY AMONG THE MOST INFLUENTIAL, THEIR DISSENT UP TO NOW HAS LARGELY BEEN EXPRESSED BEHIND CLOSED DOORS.

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

7. WASSENAAR IS LITERALLY A PILLER OF THE AFRIKANER FINANCIAL COMMUNITY. CRONJE, TOO, IS HIGHLY RESPECTED AND INFLUENTIAL MEMBER OF AFRIKANER ELITE, WHILE PROF. THERON AND TO LESSER EXTENT TERREBLANCHE WERE REGARDED AS SOLID, CONSERVATIVE NP ADHERENTS UNCONTAMINATED BY THE "LIBERALISM" OF SOME OF THE OTHER "STELLEN-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CAPE T 00199 02 OF 02 100859Z

BOSCH ACADEMICS." EVEN NOW, THOUGH PUBLICLY CRITICAL OF GOVERNMENT POLICY, PROF. THERON REAFFIRMED HER NP AFFILIATION. WHEN ASKED WHY BY JOURNALIST SHE REPORTED-LY REPLIED "WHERE ELSE?"

8. WHY THE SUDDEN BOLD OUTPOURING OF LEADING AFRIKANER CRITICISM IN PUBLIC? GROWING DISQUIET AMONG AFRIKANERS, PARTICULARLY IN THE BUSINESS COMMUNITY, ABOUT SOUTH AFRICA'S PROSPECTS IF IT CONTINUES ITS PRESENT COURSE HAS BEEN INCREASINGLY EVIDENT OVER THE PAST YEAR. THE WILLINGNESS TO SPEAK OUT AT THIS TIME MAY BE INFLUENCED TO SOME EXTENT BY FRAGMENTATION OF THE OPPOSITION PARTIES. THEIR DISARRAY MAKES LESS PLAUSIBLE ACCUSATIONS BY LOYALISTS THAT DISSENTERS ARE "SELLING OUT" TO THE ENEMY. CONTINUING EROSION OF PUBLIC CONFIDENCE IN THE FACE OF NATIONALIST LEADERSHIP'S SEEMING UNCONCER, HOWEVER, IS LIKELY THE MORE TELLING ACTOR.

9. NOW THAT THE CUSTOMARY SILENCE OF AFRIKANER CRITICS HAS BEEN SUBSTANTIALLY BROKEN, PERHAPS OTHERS WILL BE ENCOURAGED TO SPEAK OUT. THE CONTROVERSY IN NATIONAL PARTY RANKS CAN BE EXPECTED TO INTENSIFY AS THE POLITICAL AND ECONOMIC CLIMATE WORSENS, BUT THE LEVEL OF DISSATISFACTION MUST RISE CONSIDERABLY MORE, PARTICULARLY AMONG THE RANK AND FILE, BEFORE THE SAG WILL BE INCLINED TO CONSIDER MEANINGFUL CHANGES TO PRESENT POLICIES. NOR WOULD IMPORTANT DEFECTIONS FROM THE NP SEEM LIKELY AT THIS TIME, DESPITE THE EXPECTATIONS OF SOME OPPOSITION POLITICIANS.
BOWDLER

LIMITED OFFICIAL USE

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INFORMATION MEDIA, BUSINESSMEN, APARTHEID, PUBLIC ATTITUDES, DISSIDENT FACTIONS, ECONOMIC PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 10-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CAPET00199
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770047-0918
Format: TEL
From: CAPE TOWN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770255/aaaabwrc.tel
Line Count: 267
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 985b74c8-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 JOHANNESBURG 273
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 08-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3357305
Secure: OPEN
Status: NATIVE
Subject: LEADING AFRIKANERS CRITICIZE ASPECTS OF GOVERNMENT POLICIES
TAGS: PINT, SF
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/985b74c8-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009